



# TALISMAN MINING LIMITED

ASX Code: TLM



30<sup>th</sup> July 2014

## COMPANY SNAPSHOT

### Board of Directors

**Alan Senior**

Non-Executive Chairman

**Gary Lethridge**

Managing Director

**Graeme Cameron**

Technical Director

**Brian Dawes**

Non-Executive Director

**Karen Gadsby**

Non-Executive Director

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### Capital Structure

**Shares on Issue:**

131,538,627 (TLM)

**Options on Issue:**

8,750,000 (Unlisted)

**ASX: TLM**

# June 2014 Quarterly Activities Report

## Doolgunna Copper-Gold Projects - Sandfire Resources Exploration Farm-in

- *On-ground field exploration activities by Sandfire Resources NL commenced at the Springfield Project late in the Quarter following a period of data compilation, review and assessment.*
- *In early June Sandfire commenced activities along the interpreted extension of the DeGrussa Mine Corridor including:*
  - *a series of high-powered down-hole electromagnetic (DHEM) geophysical surveys of previous Talisman drill holes; and*
  - *the first stage of a four stage fixed loop electromagnetic (FLEM) geophysical survey.*
- *The first stage of the FLEM survey was completed across a portion of the Homer Prospect and in collaboration with geophysical consultants Newexco, Sandfire identified a priority late-time EM conductor at approximately 400m depth and approximately 5km east of the DeGrussa Copper Mine.*
- *In late June, Sandfire commenced a diamond drill hole to test the interpreted position of this EM conductor.*
- *This deep diamond drill hole will also be used to establish a platform for DHEM to assist in better vectoring to the EM target and also to test for additional conductors at depth and away from the principle EM target.*
- *In July, Sandfire commenced the next three stages of the FLEM geophysical surveys at Homer.*

## Business Development

- *Active project identification and due diligence activities continue with several exploration project opportunities currently under detailed assessment with a clear commodity focus on nickel sulphide, copper and/or gold projects located within Australia.*

## Corporate and Investment

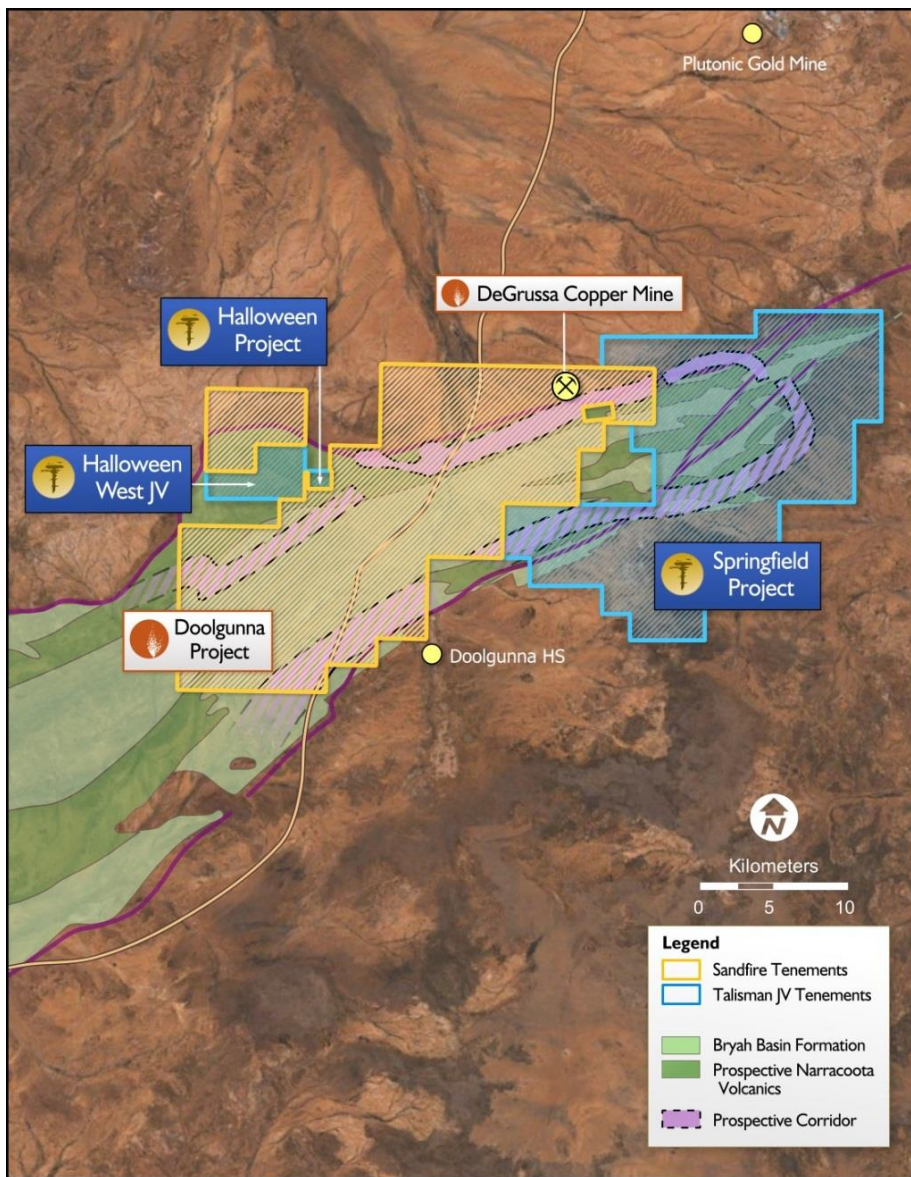
- *Cash reserves of **\$16.1 million** at 30 June.*
- *Significant savings in the cost of doing business effected during the Quarter.*



## Exploration Farm-in Joint Venture with Sandfire Resources NL

In December 2013, Talisman secured the involvement of leading Australian copper producer Sandfire Resources NL (ASX: SFR) in the next phase of exploration of its Doolgunna copper-gold projects through a \$15 million exploration farm-in joint venture (refer ASX release 20<sup>th</sup> December 2013). The Letter Agreement covers Talisman’s interests in the **Springfield**, **Halloween** and **Halloween West JV** Projects.

Talisman’s **Springfield Project** lies immediately along strike, to the east; from Sandfire’s operating DeGrussa Copper-Gold mine, and the **Halloween** and **Halloween West JV** Projects abut Sandfire’s Doolgunna Project to the west (*see Figure 1*). These Projects are interpreted to contain extensions of the volcanic rock package which hosts the DeGrussa VMS deposits. The exploration farm-in enables the two companies to work together and share local exploration knowledge in order to target potential copper-gold discoveries at these projects.



Following the completion of the Exploration Farm-in Joint Venture Agreement, Talisman provided a copy of its extensive, high-quality Doolgunna Project datasets to Sandfire. Full integration, processing and evaluation of these datasets by Sandfire is ongoing with a focus on identification of initial priority target areas along the extended DeGrussa Mine Corridor at Springfield.

This work has already identified a combined 65km strike length of prospective Volcanogenic Massive Sulphide (VMS) horizon across the combined Talisman and Sandfire tenements, providing a significantly expanded search horizon for potential new VMS deposits (*see Figure 1*)

This technically driven and systematic approach by Sandfire’s in-house exploration team is being supported by Talisman technical personnel as well as external expert consultants including Newexco.

Figure 1 - Talisman’s Doolgunna Copper-Gold Projects subject to the \$15M Exploration Farm-in Joint Venture with Sandfire and interpreted DeGrussa Mine Corridor and regional geology





## High-Powered Electromagnetic Surveys at the Springfield Project Copper-Gold Project

A critical step towards robust new target generation is the compilation, integration and evaluation of the Talisman geophysical datasets in combination with data collated by Sandfire during the exploration, discovery and development of the DeGrussa Mine.

Sandfire has demonstrated considerable capability with the successful discovery of the “blind” C4 and C5 mineralised lenses at DeGrussa using these high-energy electromagnetic methods and has the ability to apply these same techniques over targets on the Doolgunna JV Projects.

During the June Quarter, Sandfire completed Stage 1 of a four-stage high-powered fixed-loop electromagnetic (FLEM) survey across the Homer Prospect. This four stage survey will ultimately cover approximately 1.6km of the prospective DeGrussa host horizon at Springfield (see **Figure 2**).

This survey was designed to provide a better test, beyond the extent of previous ground electromagnetic surveys, for the presence of electromagnetic conductors which could represent accumulations of massive sulphides similar to the DeGrussa copper-gold VMS lenses.

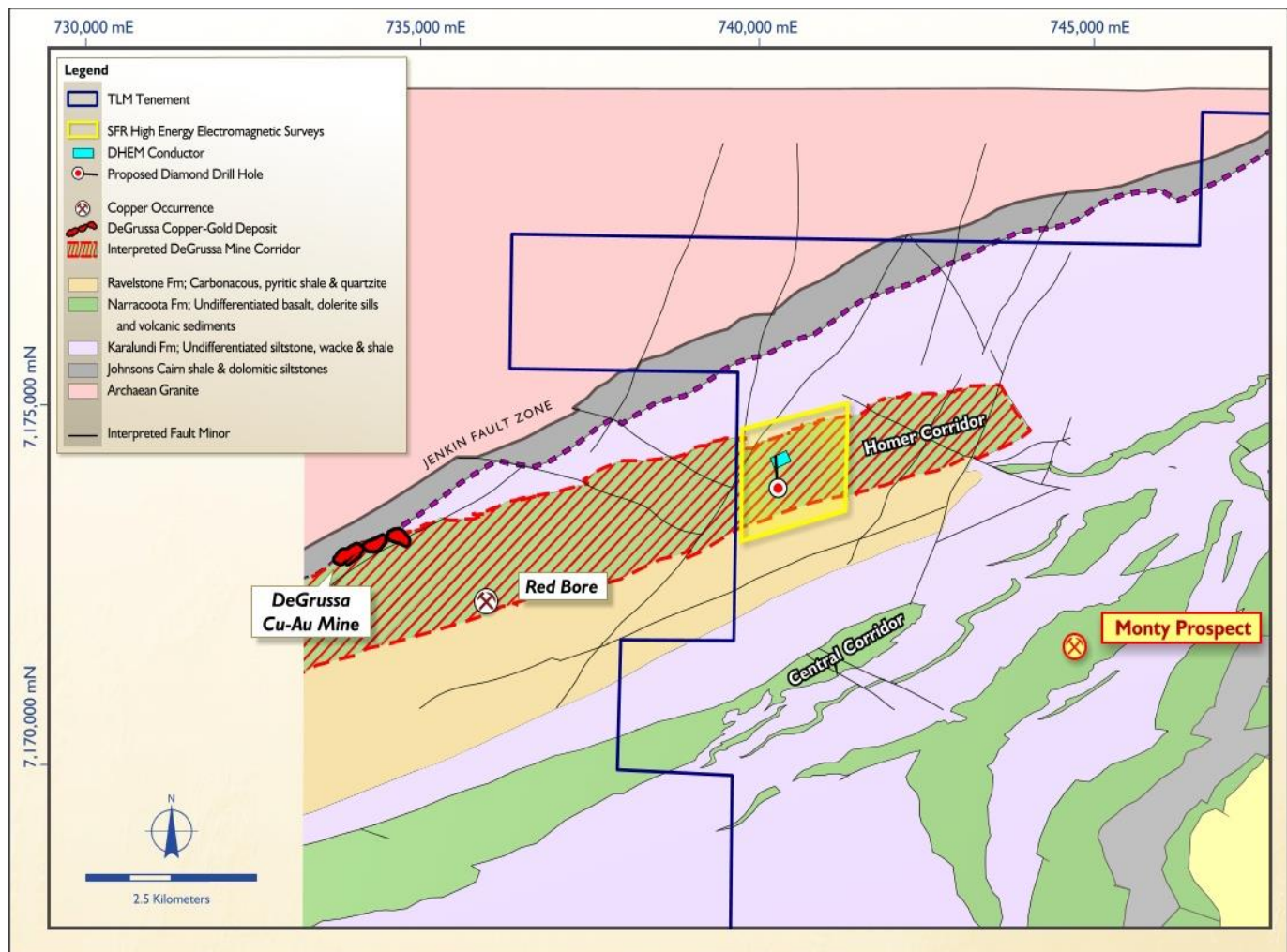


Figure 2: Springfield Project geology showing the interpreted DeGrussa Mine Corridor, approximate position of the late-time EM conductor, the diamond hole and the area of completed and proposed EM surveys.



This is the first time Sandfire's high-energy geophysical techniques have been deployed along the extension of the DeGrussa Mine Corridor at Springfield. As at the end of the Quarter, Sandfire had completed Stage 1 of the planned four-stage FLEM survey.

Sandfire also completed high-energy DHEM surveys on four out of six drill-holes previously drilled by Talisman at the Homer Prospect. The results from the Stage 1 high-energy FLEM survey and the four completed DHEM surveys were integrated with existing data sets and analysed by Sandfire with input from their geophysical consultants, Newexco.

This analysis resulted in the detection of a late-time conductor which is interpreted to sit within the extension of the prospective DeGrussa stratigraphic horizon (see **Figure 2**). This conductor is located approximately 5km east of the DeGrussa Copper-Gold Mine.

Late in the Quarter, Sandfire commenced a single diamond drill hole, of approximately 900m, with the aim of intersecting the modelled conductor at a target depth of approximately 400m. This drill hole will also be used by Sandfire to establish a platform for further down-hole EM to better define the position of the existing target as well as potentially identifying other conductors in the vicinity; both at depth and away from this principal EM target.

Subsequent to the end of the Quarter, Sandfire advised that the next three stages of the FLEM survey commenced during the latter part of July.

## Murchison Exploration Projects

### Livingstone Project (TLM 80%)

*The Livingstone Project is located approximately 130km to the north-west of Meekatharra (see Appendix 1) and covers an area of 208 km<sup>2</sup>. The Project straddles the western extension of the prospective Bryah Basin at the northern margin of the Yilgarn Craton. A major shear zone traverses the entire Project with widespread gold intercepts returned by historic percussion drilling programs over a strike length of more than 31km.*

A site visit was conducted to Livingstone during the Quarter to complete RC drill site rehabilitation of a first pass 4-hole RC drilling program completed in November 2013 at the Kerba Prospect.

The principal exploration target at Kerba is a Voisey Bay (or Nova)-style magmatic nickel-copper-PGE sulphide mineralization associated with the basal contact of the host mafic-ultramafic intrusion.

A recent review highlighted that the basal contact of the main peridotite body lies to the south of the current drilling and as such remains untested. Further mapping and surface geochemistry is under consideration at Kerba to check for evidence of nickel sulphide accumulation along this untested basal contact position.





## Muddawerrie Gold Project (TLM 80%)

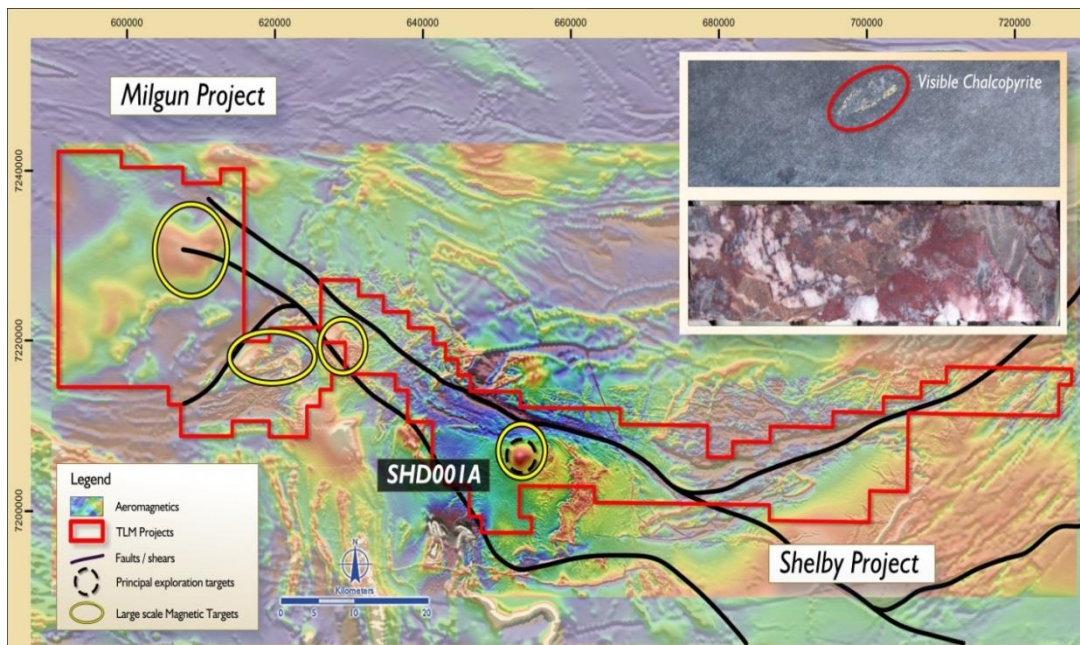
*The Muddawerrie Project is located approximately 100km north-west of Meekatharra in the Murchison Region of Western Australia (see Appendix 1). The Project covers an area of approximately 52km<sup>2</sup> and comprises a prospective Archaean greenstone belt with significant potential to host high-grade, banded iron formation (BIF) and mafic-hosted shear zone gold deposits, similar to those at Mt Magnet and Meekatharra.*

A field visit was made to Muddawerrie in the first week of June to further ground truth several gold-in-soil anomalies and to help refine sites for potential first pass RC drilling to test these targets.

At least six areas of interest have been identified from this work which are associated with a sheared banded-iron formations and/or basalt horizons cross-cut by a series of NW and NE-trending faults.

## Shelby Project (TLM 100%)

*The 1,816 km<sup>2</sup> Shelby Project is located along the northern margin of the Bryah Basin approximately 30km north of the Horseshoe Lights Copper-Gold Mine (see Appendix 1). On the basis of its geological setting, Talisman has identified the Shelby Project as having the potential to host large Iron Oxide-Copper-Gold (IOCG) deposits (e.g. Olympic Dam, Prominent Hill) and/or a Voisey's Bay-style mafic-ultramafic intrusive hosted nickel-copper-PGE sulphide deposit.*



In May 2011, Talisman completed an initial 1,452m-deep diamond hole (SHD001A) co-funded as part of the WA State Government Exploration Incentive Scheme (EIS) and designed to test a large magnetic body identified by a detailed airborne magnetic survey (see **Figure 3**).

This drilling identified strong IOCG-style magnetite alteration (and minor chalcopyrite) associated with ultra-

mafic intrusions beneath younger cover with several other magnetic anomalies identified along a major regional structure that may be associated with similar intrusive bodies. The mafic-ultramafic rocks and strong magnetite-amphibole-chlorite alteration intersected by SHD001A demonstrated encouraging evidence that Shelby could host a large iron oxide-copper-gold mineralising system.

The Company is seeking a strategic joint venture partner to further advance the Shelby Project.



## Milgun Project (TLM 100%)

*The Milgun Project is located approximately 20km north west of the Shelby Project and covers a potential northern outlier of the Bryah Basin (see Appendix 1). The Milgun Project is interpreted to be located within a tectonically uplifted block of Bryah basement rocks. It is interpreted that basement uplift is an effective mechanism for focused fluid flow and possible copper-gold and gold mineralisation.*

A field visit was conducted in June to the Milgun Project to assess several historical geophysical and geochemical copper-gold targets (see **Figure 4**) and to identify areas of interest for possible follow-up exploration activities.

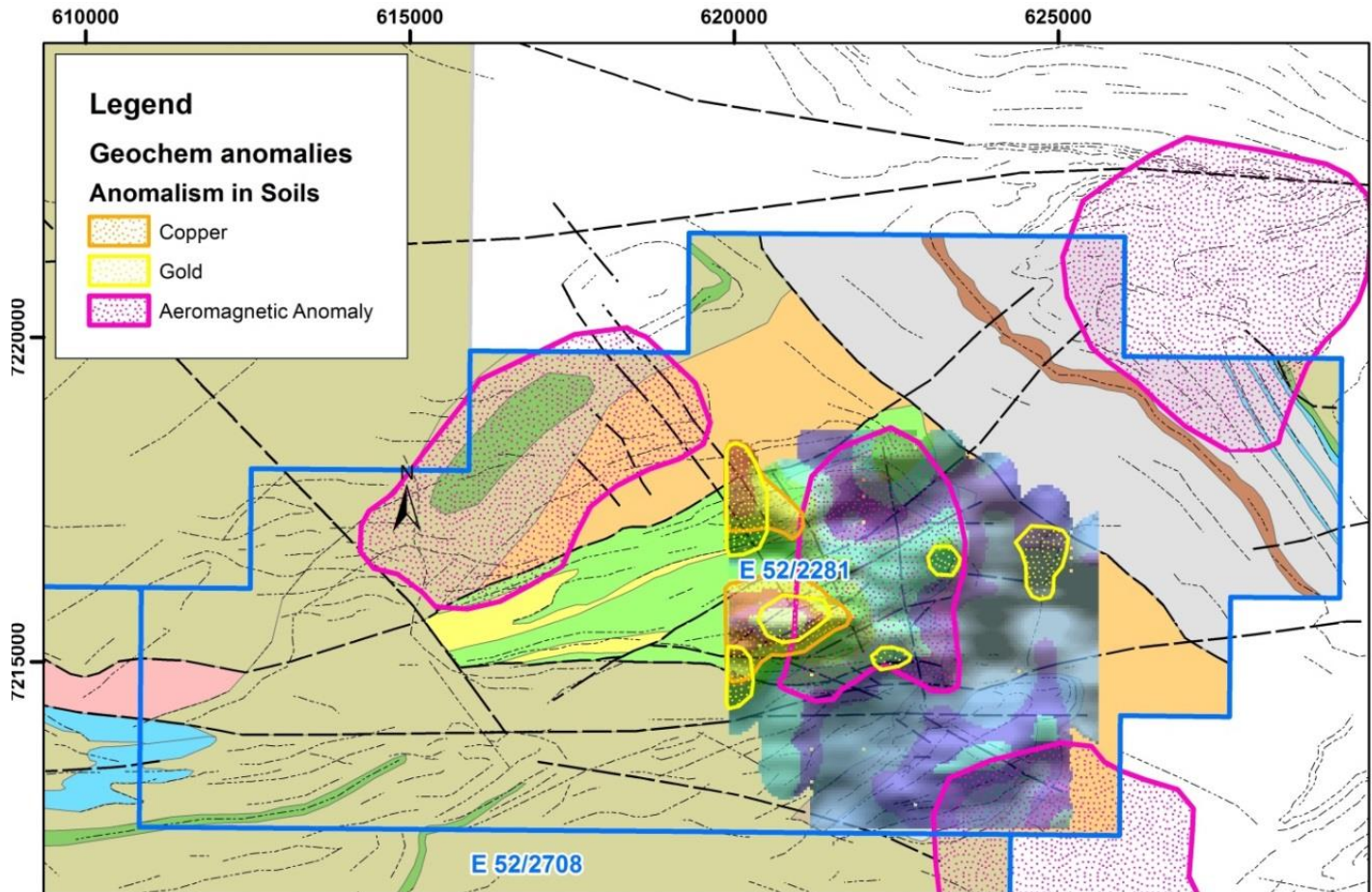


Figure 4 – Milgun geology showing gold anomalies and magnetic targets.





## CORPORATE

At the end of the Quarter, Talisman held cash of **\$16.1 million**.

### **Business Development**

Having secured external exploration funding for the Doolgunna Copper-Gold Projects via the exploration farm-in agreement with Sandfire, Talisman is actively seeking to secure high-quality exploration assets.

Principal commodities under consideration are nickel sulphide, copper and gold.

Talisman continues to undertake active identification, review and assessment activities focused upon the acquisition of new exploration projects located within Australia. During the Quarter, detailed due diligence on selected projects was undertaken or is currently underway.

During the Quarter, the Company made application for exploration ground that had become available in an area that was assessed as being prospective. Identification of this area stems from a strategic high-level targeting exercise undertaken by Talisman in 2013 to identify terrains and exploration assets with the potential to host quality copper-gold mineralisation.

This new project, Killara, comprises 68 blocks over an area of 210km<sup>2</sup> and is located approximately 75kms north of Meekatharra.

### **Cost Saving Initiatives**

During the Quarter the Company initiated a significant reduction in its fixed costs of doing business. These cost reduction initiatives included:

- Agreement by all directors, executive and non-executive, to accept a 15% salary / director's fees reduction effective from 1 July 2015. This reduction follows on from a 10% reduction effected previously from 1 July 2013.
- A reduction in the number of full time staff during the Quarter.
- A reduction of approximately 60% of annual office accommodation and associated costs; secured for the next two years.

### **Investment & Royalty Update – Ochre Group Holdings Limited Announce Revised Terms**

Subsequent to the end of the June Quarter, Ochre Group Holdings Limited ("Ochre" - ASX: OGH) announced revised terms to its proposed transaction to sell the Womunna Iron Ore Project, located in the Pilbara region of Western Australia to Ascot Resources Limited ("Ascot" - ASX: AZQ)- **refer OGH & AZQ announcements on 3<sup>rd</sup> July 2014.**

Talisman holds 35.5 million ordinary shares in Ochre which currently represents approximately 5.9% of Ochre's issued capital. This investment was acquired in 2011 as part consideration for the sale of the Womunna Iron Ore Project to Ochre at that time.



In addition, Talisman also holds a 1% gross revenue royalty attributable to the Wonmunna Project which is proposed to be assigned from Ochre to Ascot under the terms of the proposed transaction between the two companies.

**ENDS**

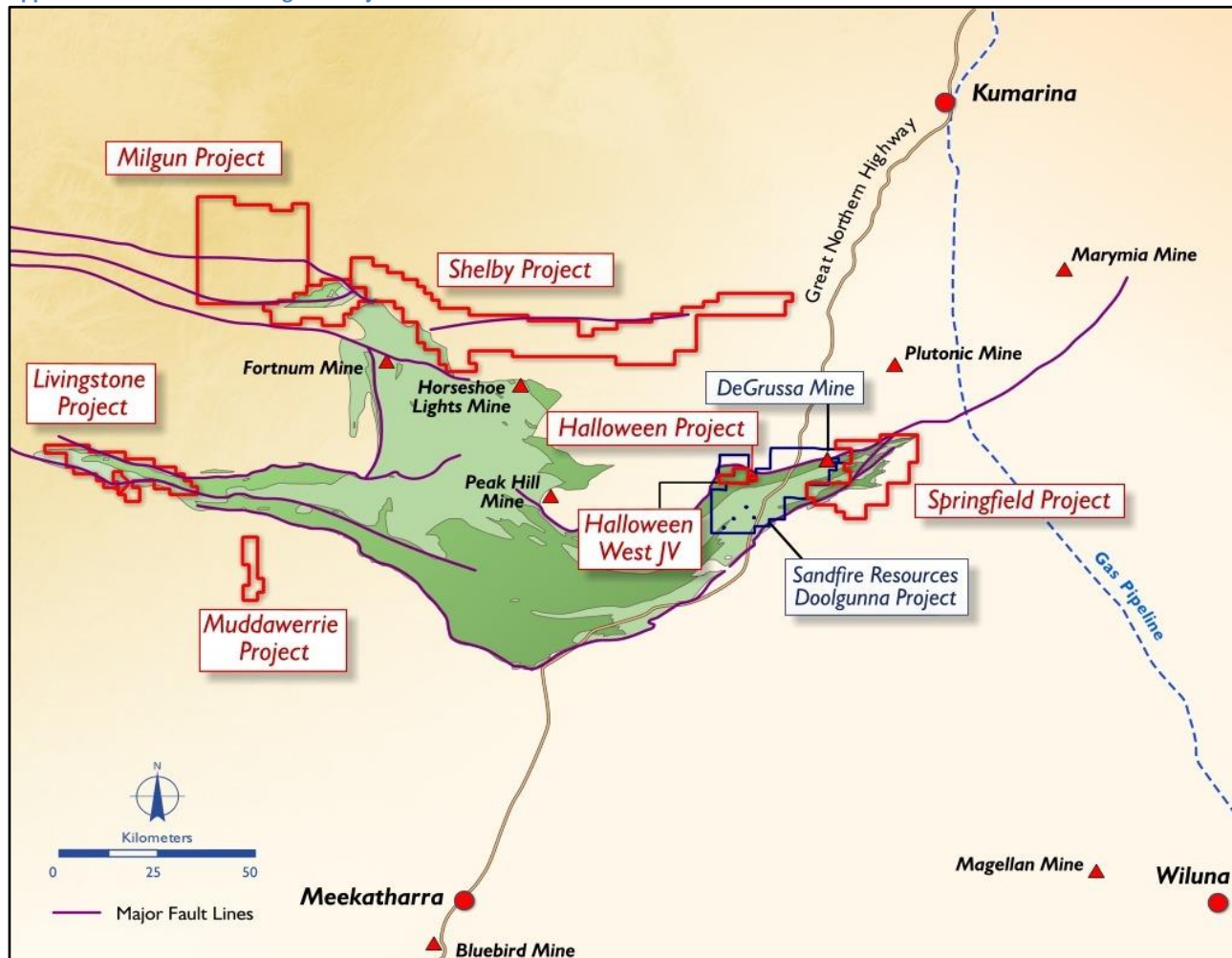
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on +61 8 9380 4230

For media inquiries, please contact:  
Nicholas Read – Read Corporate  
on +61 419 929 046

### Competent Persons' Statement

Information in this ASX release that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Graeme Cameron, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Graeme Cameron is a full time employee of Talisman Mining Ltd and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Graeme Cameron consents to the inclusion in this report of the matters based on information in the form and context in which it appear.

### Appendix 1 – Talisman Mining Ltd Project locations







Appendix 2 – Talisman Mining Tenement Schedule as at 30<sup>th</sup> June 2014

Project/Tenement	Location and blocks (Area)	Interest at Beginning Quarter	Interest at End Quarter	Acquired during Quarter	Disposed during Quarter	Joint Venture Partner/Farm-In Party
<b>HALLOWEEN WEST</b>	W.Australia					
E52/2275	6	60%	63%	-	-	JV -Chrysalis Resources Farm-in - Sandfire Resources Ltd
<b>HALLOWEEN</b>	W.Australia					
P52/1241	(200 HA)	100%	100%	-	-	Sandfire Resources Ltd
<b>LIVINGSTONE</b>	W.Australia					
E52/2565	15	80%	80%	-	-	Zebina Minerals Pty Ltd
E52/2566	31	80%	80%	-	-	Zebina Minerals Pty Ltd
E52/2593	24	80%	80%	-	-	Zebina Minerals Pty Ltd
P52/1423	(195 HA)	100%	100%	-	-	
E52/2931	2	100%	100%	-	-	
<b>MILGUN</b>	W.Australia					
E52/2281	41	100%	100%	-	-	
E52/2708	21	100%	100%	-	-	
<b>MUDDAWERRIE</b>	W.Australia					
E51/1447	17	80%	80%	-	-	Zebina Minerals Pty Ltd
<b>SHELBY</b>	W.Australia					
E52/2499	42	100%	100%	-	-	
E52/2500	36	100%	100%	-	-	
E52/2519	3	100%	100%	-	-	
E52/2628	29	100%	100%	-	-	
E52/2629	9	100%	100%	-	-	
E52/2634	19	100%	100%	-	-	
<b>SPRINGFIELD</b>	W.Australia					
E52/2282	70	100%	100%	-	-	Sandfire Resources Ltd
E52/2313	14	100%	100%	-	-	Sandfire Resources Ltd
E52/2466	14	100%	100%	-	-	Sandfire Resources Ltd
<b>KILLARA</b>	W.Australia					
E51/1643	68	0%	0%	Application	-	



**Appendix 3 - JORC TABLE 1**

**Section 1 Sampling Techniques and Data**  
(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down-hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling methods employed by Sandfire include half-core sampling of NQ2 core from diamond drilling (DD).</li> <li>Sampling is guided by Sandfire DeGrussa protocols and QAQC procedures as per industry standard.</li> <li>Pulp samples are fused into a glass bead by the combination of 0.4g of assay sample plus 9.0g flux XRF analysis. A 40g and 0.15g assays charges are used for FA and mixed acid digest respectively.</li> <li>Sandfire core samples are routinely sampled for SG determination.</li> </ul>
Drilling techniques	<p><i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></p>	<ul style="list-style-type: none"> <li>Sandfire diamond drilling is completed by DD rig with a core size of NQ2.</li> <li>All surface drill collars are surveyed using RTK GPS.</li> <li>Holes are inclined at varying angles for optimal ore zone intersection from the drilling position.</li> <li>All core where possible is oriented using a Reflex ACT II RD orientation tool with stated accuracy of +/-1% in the range 0 to 88°.</li> </ul>





<p>Drill sample recovery</p>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sandfire core is meter marked and orientated to check against the driller's blocks, ensuring that all core loss is taken into account.</li> <li>• Diamond core recovery is logged and captured into the database with weighted average core recoveries of approximately 99%. Sample quality is routinely captured in the database.</li> <li>• Samples are routinely weighed and captured into a central secured database.</li> <li>• No sample recovery issues have impacted on potential sample bias.</li> </ul>
<p>Logging</p>	<ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sandfire geological logging is completed for all holes and representative across the ore body. The lithology, alteration, and structural characteristics of core are logged directly to a digital format following standard procedures and using Sandfire DeGrussa geological codes. Data is imported into the central database after validation in LogChief™.</li> <li>• Logging is both qualitative and quantitative depending on field being logged.</li> <li>• All cores are digitally photographed and stored.</li> </ul>
<p>Sub-sampling techniques and sample preparation</p>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sandfire diamond core orientation is completed where possible and all are marked prior to sampling. Half core samples are produced using Almonte Core Saw. Samples are weighed and recorded.</li> <li>• Sandfire sample preparation at UltraTrace in Perth involves the original samples being dried at 80° for up to 24 hours and weighed. DD Samples are then crushed through Jaques crusher to nominal -10mm. Second stage crushing uses Boyd crusher to nominal -4mm.. Pulverising is completed using LM5 mill to 90% passing 75µm.</li> <li>• Sandfire has protocols that cover auditing of sample preparation at the laboratories and the collection and assessment of data to ensure accurate steps in producing representative samples for the analytical process. Key performance indices include contamination index of 90% (that is 90% blanks pass); Crush Size index of P95-10mm; Grind Size index of P90-75µm and Check Samples returning at worse 20% precision at 95% confidence interval and bias of 5% or better.</li> <li>• Duplicate analysis is routinely completed.</li> <li>• The sample size is appropriate for the VHMS and Gold mineralisation styles.</li> </ul>



<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sandfire samples submitted to Ultra Trace in Perth are assayed using Mixed 4 Acid Digest (MAD) 0.3g charge and MAD Hotbox 0.15g charge methods with ICPOES or ICPMS. The samples are digested and refluxed with a mixture of acids including Hydrofluoric, Nitric, Hydrochloric and Perchloric acids and conducted for multi elements including Cu, Pb, Zn, Ag, As, Fe, S, Sb, Bi, Mo, Re, Mn, Co, Cd, Cr, Ni, Se, Te, Ti, Zr, V, Sn, W and Ba. The MAD Hotbox method is an extended digest method that approaches a total digest for many elements however some refractory minerals are not completely attacked. The elements S, Cu, Zn, Co, Fe, Ca, Mg, Mn, Ni, Cr, Ti, K, Na, V are determined by ICPOES, and Ag, Pb, As, Sb, Bi, Cd, Se, Te, Mo, Re, Zr, Ba, Sn, W are determined by ICPMS. Samples are analysed for Au, Pd and Pt by firing a 40g of sample with ICP AES/MS finish. Lower sample weights are employed where samples have very high S contents. This is a classical FA process and results in total separation of Au, Pt and Pd in the samples.</li> <li>• Sandfire DeGrussa QAQC protocol is considered industry standard with standard reference material (SRM) submitted on regular basis with routine samples.</li> <li>• Sandfire insert SRMs and blanks at a minimum of 5% frequency rate. A minimum of 2% of assays are routinely re-submitted as Check Assays and Check Samples through blind submittals to external and primary laboratories respectively. Adhoc umpire checks are completed annually.</li> </ul>
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No significant drilling intersections are reported in this report.</li> <li>• No twinned holes are being drilled as part of this programme.</li> <li>• Primary data is captured on field tough book laptops using Logchief™ Software. The software has validation routines and data is then imported into a secure central database.</li> <li>• The primary data is always kept and is never replaced by adjusted or interpreted data.</li> </ul>
<p>Location of data points</p>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sandfire DeGrussa Survey team undertakes survey works under the guidelines of best industry practice.</li> <li>• Downhole survey completed by electronic multishot systems.</li> <li>• MGA94 Zone 50 grid coordinate system is used.</li> </ul>
<p>Data spacing and distribution</p>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Programme comprises a singular diamond drill hole (TLD001).</li> <li>• No drilling results are reported.</li> </ul>





Orientation of data in relation to geological structure	<ul style="list-style-type: none"><li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li><li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li></ul>	<ul style="list-style-type: none"><li>• Sandfire exploration holes are oriented to achieve high angles of intersection. Diamond drilling is used as required to determine structural orientations in regional programs.</li></ul>
Sample security	<ul style="list-style-type: none"><li>• <i>The measures taken to ensure sample security.</i></li></ul>	<ul style="list-style-type: none"><li>• All samples are prepared onsite under the supervision of Sandfire Geological staff.</li><li>• Sandfire samples are transported to the Perth Ultra Trace laboratory by Toll IPEC or Nexus transport companies in sealed bulka bags, or to the onsite laboratory by company personnel.</li><li>• The laboratories receipt received samples against the sample dispatch documents and issues a reconciliation report for every sample batch.</li></ul>
Audits or reviews	<ul style="list-style-type: none"><li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li></ul>	<ul style="list-style-type: none"><li>• The Sandfire sampling techniques and data collection processes are of industry standard and have been subjected to multiple internal and external reviews.</li></ul>



## Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Diamond drilling by Farm-in Partner Sandfire is on tenement E52/2313. This lease is part of Talisman's 100% owned Springfield Project, 150km north-east of Meekatharra, WA. This tenement falls within the Department of Conservation-managed Doolgunna pastoral lease.</li> <li>All Springfield tenements are current and in good standing.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration work at Springfield completed prior to Talisman's tenure included geochemical soil and rock chip sampling combined with geological mapping. Some targeted RC drilling was completed over gold and diamond targets.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Talisman's Doolgunna, Shelby, Milgun, Livingstone and Killara Projects lie within the Proterozoic-aged Bryah rift basin enclosed between the Archaean Marymia Inlier to the north and the Proterozoic Yerrida basin to the south.</li> <li>Talisman's Muddawerrie Projects lie within the Archaean-aged Mt Maitland greenstone belt 100km NW of Meekatharra in the Murchison region of Western Australia</li> <li>The principal exploration targets at the Doolgunna Projects are Volcanogenic Massive Sulphide (VMS) deposits located with the Proterozoic Bryah Basin of Western Australia.</li> <li>The principal exploration targets at the Livingstone and Muddawerrie Projects are orogenic gold and magmatic nickel-copper-PGE sulphide deposits.</li> <li>The principal exploration targets at the Shelby and Milgun Projects are Iron-Oxide Copper-Gold (IOCG), magmatic Ni-Cu-PGE and VMS deposits.</li> </ul>





<p>Drill hole Information</p>	<ul style="list-style-type: none"> <li>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:             <ul style="list-style-type: none"> <li>○ easting and northing of the drill hole collar</li> <li>○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>○ dip and azimuth of the hole</li> <li>○ down hole length and interception depth</li> <li>○ hole length.</li> </ul> </li> </ul> <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	<ul style="list-style-type: none"> <li>• <u>Diamond drillhole TLD001</u> Location: 740150E, 7174150N, 590.479mRL. Azimuth: 360° Dip: -60° Proposed Depth: 900m</li> </ul>
<p>Data aggregation methods</p>	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• No drilling intersections reported.</li> </ul>
<p>Relationship between mineralisation widths and intercept lengths</p>	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported.</li> <li>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>• No drilling intersections reported.</li> </ul>
<p>Diagrams</p>	<ul style="list-style-type: none"> <li>• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate maps with scale are included within the body of the accompanying document.</li> <li>• No drilling intersections reported.</li> </ul>



Balanced reporting	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>The accompanying document is considered to represent a balanced report.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Other exploration data collected is not considered as material to this document at this stage. Further data collection will be reviewed and reported when considered material.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Further work is contingent on the outcomes of current drilling and ground electromagnetic surveys.</li> </ul>